

**Security Council**

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**Letter dated 7 July 2005 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council**

I write with reference to my predecessor's letter of 23 February 2005 (S/2005/117). The Counter-Terrorism Committee has received the attached fifth report from Jamaica submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex). I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

*(Signed)* Ellen Margrethe Løj  
Chairman

Security Council Committee established pursuant to  
resolution 1373 (2001) concerning counter-terrorism



**Annex**

**Letter dated 5 July 2005 from the Permanent Representative of  
Jamaica to the United Nations addressed to the Chairman of the  
Counter-Terrorism Committee**

In accordance with instructions from my Government, I have the honour to forward the fifth report of the Government of Jamaica on issues raised by the Counter-Terrorism Committee (see enclosure).

*(Signed)* **Stafford O. Neil**  
Ambassador  
Permanent Representative

**Enclosure\*****Response by Jamaica to the Counter-Terrorism Committee with respect to its fifth report****1. Effectiveness in the Protection of Financial Systems**

**Question 1.1:** *The CTC notes that Jamaica has been considering the enactment of the Terrorism Prevention Act for some time. It is the CTC's understanding from previous reports that this legislation is intended substantially to enhance Jamaica's ability to comply with its obligations under Paragraphs 1 and 2 of the Resolution, as well as be the vehicle by which Jamaica can become a party to the eight international anti terrorism instruments to which it is not yet a party. Given the significance of a legislation of such breadth to the implementation by Jamaica of its obligations under the Resolution, the CTC considers it a priority for Jamaica to enact such legislation as soon as possible.*

**Answer 1.1:** Jamaica acknowledges the importance of having domestic legislation to implement Resolution 1373 and efforts have been made to expedite consideration and passage of the Terrorism Prevention Act. The time which has been devoted to the legislation so far reflects its importance, as well as the need to fully consult with various sectors in the society. The result is legislation which effectively implements Jamaica's obligations in the fight against terrorism while respecting the fundamental rights and freedoms of its citizens.

**Question 1.2:** *Further, in this regard, the CTC would be grateful to receive a progress report on the enactment and coming into force of the Terrorism Prevention Act since, according to the fourth report, it has been before the House of Representatives for some time. The CTC would also appreciate receiving the legislation as soon as it becomes law.*

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\* Annexes are on file with the Secretariat and are available for consultation.

**Answer 1.2:**

The Terrorism Prevention Bill was tabled in the House of Representatives on October 28, 2004 and reintroduced on April 20, 2004 when Parliament resumed sitting. Following the introduction of the Bill in the House in January 2004, it was referred to a Joint Select Committee, which is a sub-committee of Parliament consisting of Members of Government and Opposition from the House of Representatives and the Senate (the upper and lower Houses).

The Joint Select Committee examined the Bill between January and September of 2004. It received submissions from 11 groups and individuals and on the basis of these submissions recommended amendments to six sections of the Bill as well as the Schedule. The Report of the Joint Select Committee was issued and tabled in the House of Representatives on October 28, 2004. The Report was not unanimous and a minority report was tabled by the Opposition Members of the Committee. Debate on the Bill and the Report ensued in January 2005.

On 15<sup>th</sup> March 2005, the Bill was passed by the House of Representatives with amendments. The Bill was passed by the Senate on 8<sup>th</sup> April, 2005 and re-introduced in the House of Representatives on 12<sup>th</sup> April, 2005.

On the formal assent of the Governor-General the Bill became law on 9<sup>th</sup> May, 2005 and entered into force on 6<sup>th</sup> June, 2005.

It should be noted that Jamaica's fourth report indicated the date on which the Bill was first tabled, but made no reference to the fact that the Bill had been before the House of Representatives "for some time". Indeed this description would not have been accurate given the timeline between the tabling of the Bill and the submission of Jamaica's fourth report.

With the legislation in place, Jamaica intends to accede or ratify the international Conventions for the prevention and punishment of terrorist activities to which it is not yet a party.

A copy of the Terrorism Prevention Act is submitted with this Report.

**Question 1.3:** *According to the fourth report (Page 3), a Bill to amend the Bank of Jamaica Act was recently approved by the House of Representatives in order to regulate money transfer and remittance agents and agencies. The CTC would appreciate receiving a copy of this legislation, as well as an indication of whether this law has come into force.*

**Answer 1.3:** The Bank of Jamaica (Amendment) Act was previously forwarded to the Committee under cover of Note Verbale dated 11 February 2005.

Amendments to the Bank of Jamaica Act were passed into law on 13<sup>th</sup> February 2004 and establish a framework for a regulatory regime to govern money transfer and remittance agencies and agents.

In essence, the law provides at section 22G that these institutions have to be licensed/approved by the Minister of Finance and Planning. In addition, these entities have been added to the categories of institutions under section 22B who must comply with Ministerial directions as regards the acquisition of foreign currency and foreign assets. These directions then constitute (with the approval documents) the rules with which these companies must comply in order to retain their licensed status. These directions will be issued by the Bank of Jamaica on behalf of the Minister of Finance and Planning.

Money transfer and remittance agencies and agents have been designated by the Minister of Finance and Planning as "*financial institutions*" under the Money Laundering Act and Money Laundering Regulations and they are therefore already subject to the following obligations:

- (a) Suspicious transaction reporting to the designated authority;
- (b) Customer identification and verification;
- (c) Appointment of a compliance officer;
- (d) Record-keeping;
- (e) Internal independent audit of anti money laundering systems;
- (f) Employee integrity systems and training.

Please also note that the Bank of Jamaica has issued detailed Guidance Notes to remittance service providers as a part of its comprehensive Guidance Notes to the institutions supervised by the Bank, which covers responsibilities in the areas of Anti-Money Laundering and Combating the Financing of Terrorism.

Remittance Service Providers are also included among the financial institutions listed in the Terrorism Prevention Bill and will therefore have reporting obligations under that Act once it is passed.

**Question 1.4:**

*In the context of regulating the activities of charitable organisations, the fourth report also mentions the recommendations of the Financial Crimes Task Force for a Bill to amend the Money Laundering Act to extend its application to these entities. The CTC would be grateful for an update on this matter, as well as an indication to the scope of amendments that might be required in other laws that will have to be amended to ensure compliance with this obligation of the Resolution.*

**Answer 1.4:**

An Act to Amend the Money Laundering Act was tabled in the House of Representatives in 2004. This Bill expands the categories of persons and organisations which must report financial transactions to the relevant body established under the Act. It is intended to implement the forty recommendations of the Financial Action Task Force (FATF) on combating money laundering and terrorist financing. The Bill was referred to a Joint Select Committee of Parliament and is now being considered.

Additional legislative changes, not confined to charities include, a Financial Investigation Division (FID) Bill which expands the powers of FID to investigate financial counterparts. This Bill was tabled in the House of Representatives at the same time as the amendment to the Money Laundering Act. Other legislation amended to *inter alia*, allow sharing of information with foreign counterparts include: the Bank of Jamaica Act, the Banking Act, the Building Societies Act and the Financial Services Commission Act.

## Effectiveness of Customs, Immigration and Border Control

**Question 1.5 (a):** *Could Jamaica outline whether it has, or how it intends to implement the common standards set by the World Customs Organization in relation to electronic reporting and the promotion of supply chain security?*

The Jamaica Customs Department is at an advanced stage of implementing the common standards set by the World Customs Organization (WCO) in relation to electronic reporting and the promotion of supply chain security. Automation is one of the key initiatives of modernization. Several e-commerce initiatives under the Electronic Processing System have been implemented at different stages of the modernization process, including Pre-Arrival Processing System (PAPS), Fast Track, e-Payment, e-Manifest, C78X and e-Export.

### **Pre-Arrival Processing**

Pre-Arrival Processing (PAP) allows for importers/brokers to lodge C78 Entries for processing up to 10 days before the vessel arrives and facilitates a “just in time” clearance for cargo. It also enhances the risk management process.

### **Fast Track**

This facility is available to brokers whose error rating is 5% or less on the import entry (C78) they submit to Customs. The turn-around time for fast track entries is 2 hours.

### **e-Payment**

This facility allows clients to pay duties for their C78 entries conveniently through the INTERNET using their credit cards. An Importer/Broker can access e-Payment by using the Jamaica Customs website at <http://jacustoms.gov.jm> or the C78 Broker Application. The Importer/Broker will benefit from e-Payment as:

- it eliminates the need for a Manager’s cheque
- it eliminates the need to wait in line at the Customs cashier
- it facilitates checking the status of entry online
- it creates greater transparency between Customs/ Brokers/Importers

### **e-Manifest**

The e-Manifest system is operational, but not fully implemented, as the Shipping Agents are not fully utilizing the system. Workshops are now being planned to train the relevant agencies.

The e-Manifest system allows Shipping Agents, Non-Vessel Operating Common Carriers (NVOCC), Freight Forwarders, Couriers, and Airlines to submit manifest documentation to Jamaica Customs, which forms a part of the overall development of the automated systems in the Customs Computerization Project. This system is the flagship that it is hoped will cause a quantum leap in the type of rapid service delivery without the fear of compromise in security standards. This system enables the electronic submission of the Carriers Manifest 24 hours prior to the arrival of the vessel, and is an integral part of the electronic cargo processing system of the Customs Department. This enhances the risk management process.

### **C78X**

The C78X entry processing system for non-commercial imports of a CIF Value not exceeding US\$1000.00 was manually implemented in June of 2004 and the automation process is now being piloted.

Full automation of the C78X will facilitate a completely automated system for both commercial and non-commercial imports, thus giving Customs the information it needs to act expeditiously and improve on its risk management techniques while at the same time improving customer satisfaction.

### **e-Export System**

The e-Export System is a component of the Trade Point, which includes Jamaica Customs, Jamaica Promotion (JAMPRO) and Trade Board. The system allows exporters/ broker and other stakeholders to log onto the JAMPRO website and register online to export goods. This facility allows the exporter to prepare Export Entry (C82) and submit invoices online. These are then electronically submitted to Customs for processing. This part of the automation process is now being piloted and will be implemented subsequently.



### **Risk Management**

As part of the integrated Customs control chain, the Customs Department has implemented the Valuation Intelligence Risk Management System (V.I.R.M.S.). This system supports operations of the Jamaica Customs Department in the following areas:

- leveraging of technology in the drive to maximize revenue collection and facilitate trade;
- it supports the World Trade Organization (WTO) Valuation Guidelines to Jamaica Customs procedures. Historical data will be stored for quick retrieval to help ascertain the likelihood of false-declarations and under invoicing by importers;
- it consolidates and structures Customs intelligence information in a format that will maximize the benefit of this information and facilitate structured focusing of resources. It will provide a central repository of information for later retrieval and analysis;
- it supports selective examination of C78 declarations and Manifest documents. This allows resources to be deployed efficiently and targeted to maximize revenue and combat fraud and smuggling.

### **Targeting and Communication**

Jamaica Customs has developed a network for joint targeting and screening with other customs departments in the Caribbean, Canada, United States and the United Kingdom. This facilitates the exchange of intelligence information.

### **Performance Measures**

The Ministry of Finance and Planning implemented Performance Management in July 2003. Jamaica Customs Department falls under the portfolio of Ministry of Finance and Planning and as such, implemented Performance Management in 2003. Accordingly, all units within the Department are set performance measures and are required to do monthly statistical reports on these measures.

The Risk Management, Cargo Imaging and Compliance Units are required to submit reports on a monthly basis on the number of ships reviewed, the subset of high-risk shipments, examinations of high-risk shipments conducted, examination of high-risk shipments by Non Intrusive Inspection (NII) technology, examinations of high-risk shipments NII and physical means, examinations of high-risk shipment by physical means only and positive and negative result.

#### **Cargo Inspection**

All cargo originating, exiting, transiting or being transshipped through Jamaica is subject to NII by Customs. At present the Risk Management System is being utilized mostly for risk assessment of imported goods. However, NII equipment (**Gamma-ray and x-ray Machines**) is being used to examine both imports and export.

The Compliance and Enforcement Unit performs physical inspections based on intelligence to minimize the risk of illegal imports or exports. Another fundamental function of the Compliance Unit is to detect Customs violation and breaches of other laws concerning cargo transaction, passenger processing, carrier arrivals and departures.

#### **Outbound Security Inspection**

The Jamaica Customs Department has established two (2) units to assist outbound security inspection:

1. The Cargo Imaging Unit with responsibilities for conducting, outbound security inspection of all containers and cargo using x-ray and Gamma-ray machines.
2. The Compliance and Enforcement Unit performs physical inspections based on intelligence to protect against the risk of illegal imports or exports.

In order to improve the Supply Chain Security aspect, the final stage of the automation system requires implementation.

However, there is need for capacity building assistance in the following areas:

- training
- infrastructure to facilitate connectivity and networking
- equipment/ apparatus

Implementation will also be impacted by the anticipated passage of legislation which will permit the system to accept electronic signature.

**Question 1.5 (b):** *Is the inspection of persons and cargo in Jamaica undertaken by separate agencies (e.g. immigration and customs) or is there one agency responsible for both functions? The CTC notes that the fourth report, page 6, identifies Jamaica Customs as the “watchdog” agency for other government institutions. As this would indicate that more than one agency is involved, do these agencies share information, and do they co-ordinate activities?*

The Ministry of National Security, through its Immigration Department is primarily responsible for the inspection of persons. However, in executing its mission of promoting border protection, the Jamaica Customs Department performs both functions, that of passenger and cargo inspection.

Cargo inspection is done with the assistance of other agencies such as:

- Bureau of Standards – ensures that imported goods conform with national standards and safeguards against goods that are hazardous;
- Ministry of Health - inspection of vessels and goods such as pharmaceuticals, chemicals, and human remains;
- Ministry of Agriculture – inspection of meats, ground provision, fruits, vegetables, cornmeal, rice and lumber;
- Ministry of National Security – inspection of firearms, ammunition, explosive and pyrotechnics.

The Jamaica Customs Department performs agency functions for a number of agencies primarily:

1. Bureau of Standards
2. Ministry of Agriculture
3. Ministry of Health
4. Financial Investigative Division (F.I.D)
5. National Environment Planning Agency (N.E.P.A)

These agencies do share information and coordinate activities.

**Question 1.5 (c):** *Regarding international flights, does Jamaica use advanced passenger manifest programs to check the list of inbound passengers against information contained in databases on terrorism, before the passengers land?*

The immigration authorities have commenced the process for receiving airline passenger manifests ahead of flight arrival. The use of advanced passenger manifest programs for evaluation or checks against an electronic immigration database is expected to be fully operational shortly.

**Question 1.5 (d):** *The CTC would be grateful to learn whether Jamaica has acceded to Annex 17 of the Convention on International Civil Aviation?*

ICAO Annex 9 requires States to include national laws for compliance of these requirements and these have not yet been put in place. The Jamaica Civil Aviation Authority plans on drafting regulations for Annex 9 this year (2005).

Jamaica has agreed to the Amendment 10 of Annex 17 as presently contained in the Seventh Edition, April 2002 and it has been implemented by Civil Aviation Regulations 2004.

**Question 1.5(e):** *Could Jamaica inform the CTC as to the status of the Port Security Act which, according to the fourth report (page 7) was being considered by the relevant governmental agencies.*

**Answer 1.5(e):** The Port Security Bill is still under consideration by the relevant Ministries and agencies. It has not yet gone to Legislation Committee for consideration. The Legislation Committee is a Sub-Committee of the Cabinet and is responsible for examining legislation prior to tabling in either House.

### III Controls on Preventing Access to Weapons by Terrorists

*Question 1.6 Sub-paragraph 2(a) of the Resolution requires each Member State, inter alia, to have in place appropriate mechanisms to deny terrorists access to weapons. In this context, does Jamaica's Customs Service implement the recommendations of the WCO concerning the Protocol against the Illicit Manufacturing of and Trafficking in Firearms their parts components and Ammunition, that supplements the UN International Convention Against Transnational Organised Crime? If yes, please outline the measures applicable to Jamaica.*

The legislative framework that governs Customs operations as it relates to illicit manufacturing, trafficking, possession and use of firearms, is the Firearm Act in conjunction with the Customs Act and Regulations.

The Customs import/export forms provide detailed record of import/export and in-transit movements of firearms. These records are maintained electronically and manually.

The Jamaica Customs Department in executing its clearance procedures, depends solely on the information provided by the Ministry of National Security, in the form of a Firearm Import/Export Permit, along with an entry and other supporting documents with the relevant declaration from the importer/exporter.

In order to facilitate the monitoring and controlling of products specified in the Firearm Protocol, the Customs Department has adopted the statistical nomenclature proposed by the Harmonized System Committee.

There are Customs procedures in place that stipulate that all import/export and transshipment goods, inclusive of firearms, be lodged, registered and checked, with the requisite supporting documents relating to the item, prior to the import/export or transit movement of the goods. This is to encourage importers/exporters or third parties to provide information to Customs, prior to their shipment.

Failure to declare or provide required permits (firearm export permit/firearm import permit/firearm transshipment permit) is a breach of Section 210 of the Customs Act.

Prior to the importation/exportation/transit movement of firearm, the required permits (import/export transshipment) must be presented to the Customs Department for examination to verify that the appropriate authorization is in place to ensure the legitimacy of the shipment.

In order to verify the authenticity of licensing or authorized documents for the import and export of firearm by individuals, the Customs Department liaises with the authorizing agency, the Ministry of National Security. In the case of commercial shipments, the Ministry of National Security will submit relevant correspondence regarding the shipment, prior to importation of firearms.

Transporting of firearms imported on a commercial basis requires strict security measures. These are normally moved from the port to the Jamaica Defense Force headquarters for safekeeping and processing under escort by the army, in order to control the movement of the cargo. It should be noted that all incoming/outgoing containers must be x-rayed prior to leaving the ports.

No firearms are allowed to enter the free zone.

To broaden the exchange of information and increase cooperation between law enforcement, the National Intelligence Bureau conducts monthly meetings with all law enforcement agencies.

There is no Memorandum of Understanding between Customs and legitimate traders.

**Question 1.7:** *Is it necessary to lodge, register or check the Goods Declaration and supporting documentation concerning firearms prior to their import, export or transit? In addition, is it necessary to encourage importers, exporters or third parties to provide information to Jamaica's customs authorities prior to the shipment of such goods?*

**Answer 1.7:** It is a requirement of the Customs authorities and the Ministry of National Security that information on all explosive goods (including arms and ammunition) be provided prior to the vessel's arrival in our ports. The Bill of Lading and other supporting documents must be sent ahead of the ship/container arrival, even if the vessel is only transiting the port.

**Question 1.8:** *Are mechanisms in place to verify the authenticity of licenses and other official documents in relation to the import, export or transit of firearms?*

**Answer 1.8:** Mechanisms are in place to verify the authenticity of licenses and other official documents with respect to the import/export or transit of firearms. Shipping companies must send all export, import and transit licences for clearance and verification to the Ministry of National Security, at least 10 clear working days prior to the arrival of the vessel/container. The Ministry will, if not satisfied with the documentation, request our relevant Mission or other counterparts in national security, to contact the country of import and /or export to verify if clearance was authorized.

Jamaica uses the Inter-American Model Regulations for the Control of the International Movement of Firearms, Their Parts and Components and Ammunition, as its guide for administrative monitoring of the movement of weapons, ammunition and explosives via Jamaican ports of entry.

The adoption of the relevant sections of the Model Regulations into an amended Firearms Act, and the Gunpowder and Explosives Act is anticipated.

**Question 1.9:** *Has Jamaica implemented, using risk assessment principles, appropriate security measures concerning import, export and transit of firearms? In this context, does Jamaica conduct security checks on the temporary storage, warehousing and transportation of firearms? Does Jamaica require that the persons involved in these operations undergo security vetting?*

**Answer 1.9:** Jamaica has in place measures to thoroughly check the import, export and transit of arms and ammunition. The Commissioner of Police and the Minister of National Security are authorized by law to sign the import and export licences and thereby providing clearance for the import and export of all arms and ammunition, whether by companies or individuals, into or out of Jamaica. The Customs Department will not allow export or import of such goods without seeing the approved licenses.

Containers containing arms and ammunition are guarded and checked. If the container is not in immediate transit, it must be taken off the port and sent to the Jamaica Defence Force Headquarters, for safe storage and protection and is only returned when the departing vessel is ready to receive this cargo.

Suspicious shipments are always checked by the Customs Enforcement Team after being alerted by the Ministry, or if they have their own doubts as to the authenticity of the shipment.

Security vetting is compulsory for all workers on Jamaican ports, whether sea or air ports and is done by the Internal Security Branch of the JCF, via the Ministry of National Security. However, security vetting requests must originate from the company of employment who will take the responsibility for their employment or dismissal upon completion of vetting procedures.



## 2. Assistance and Guidance

**Question 2.1:** *Given the urgency of the need to implement fully the Resolution, the CTC considers the passage of the Terrorism Prevention Act and becoming party to, and implementing the provisions of all 12 international counter terrorism instruments to be a priority. In this regard, the CTC has taken note that Jamaica has sought and received technical assistance, including participation in a regional seminar hosted by the Commonwealth Secretariat with follow-on drafting assistance, as well as hosting a National Seminar in which both UNODC and CICTE participated. The CTC would be interested in knowing the impact that such assistance has had in enhancing Jamaica's ability to meet its obligations under the Resolution.*

**Answer 2.1:** The assistance Jamaica received from the Commonwealth Secretariat enabled the drafting of legislation to occur in a more effective manner. It also facilitated the work of the Inter-Ministerial Committee which prepared the Bill, particularly in terms of identifying solutions to issues raised by legislation.

The assistance of the OAS and CICTE facilitated a public education seminar on the Bill for key sectors in the society e.g. the banking Industry, parliamentarians and senators, the legal profession, and journalists etc. This allowed for a better understanding of the obligations of resolution 1373. It also helped to allay concerns about the nature of the legislation and the impact on fundamental rights and freedoms.

